

*Mr. Stancher*

MINUTES OF MEETING OF COMMITTEE 2, OF COMMISSION I

July 8, 1944, 11:30 A.M.

*(also 3:00 P.M.)*

The sixth meeting of Committee 2 of Commission I was held on July 8 at 11:30 A. M. The Committee agreed to reconsider all material submitted to it on which action was pending in the order of its appearance in the basic document, SA/1.

The Committee accepted the report of the language committee that Article III, Section 1, Alternative A (p. 5) be approved with the addition of the words "with or" after "only" in the third line.

The Committee accepted the report of the language committee that on Section 5, Alternative A (p. 8) paragraph (1) be amended as follows:

"Propose to the member that, on terms and conditions agreed between them, it lend such currency to the Fund or, with the approval of the member, that the Fund borrow such currency from some other source either within or outside the territory of the member; but no member shall be under any obligation to make such loans to the Fund or to approve the Fund's borrowing its currency from any other source."

With respect to Article III, Section 6, Multilateral International Clearing, Section 7, Acquisition by Members of the Currencies of other Members for Gold, Section 8, Other Acquisitions of Gold by the Fund, the Committee agreed that Alternative B (p. 9a), Alternative B (p. 10a) and Alternative F (p. 11c) be deferred for later consideration pending the report of Committee 1 of Commission I on a proposal to which these alternatives are consequential.

On Section 9, Alternative A (p. 12), subsections (a) and (c) were approved. The United States Delegation agreed to distribute a memorandum explaining the purposes to be achieved in subsection (b) and an appropriate phrasing of that subsection.

The Committee discussed Article IV, Par Values of Member Currencies.

With respect to Section 1, Par Values of the Currencies of Members, it was decided that Alternative B (p. 16a) should be transferred to Article XIII, Section 5 (p. 49).

On Alternative A, Sections 2, 3, 4, 4a, 4b, and 4c (pp. 17a and 17aa), the Chairman noted that the Committee was near agreement but that specific reservations should be reported to the Commission if delegations so indicate and that final approval should be deferred until alternatives that have not yet been circulated can be considered.

The Committee discussed Article VI, Apportionment of Scarce Currencies.

The Committee approved substitute Alternative A, Sections 1 and 2 (p. 23b) and Sections 3 and 4 (p. 23c).